Approved For Release 2001/08/23 : CIA-RDP57-00384R000400120059-3

OGC Has Reviewed

14 June 51

314 C (Correspondence)

14 June 1951

MEMORANDUM FOR: A-DD/Administration (General)

SUBJECT : Delegation of Authority to Make Awards

1. Reference is made to your oral request concerning the delegability of the Director's authority to make awards to CIA employees. Because of the various types of recognition which may be accorded, we shall discuss each one separately.

2. Cash awards for suggestions which result in improvement or economy in the operations of the Agency. Section 4 of Public Law 600 (5 USCA 116a) gives authority to make such awards to the "head of each department." Neither Section 4 nor the Executive Order issued pursuant thereto (No. 9817) contains an express provision for delegation of this authority. However, in view of the recent Congressional trend toward broader powers of delegation, and the Comptroller General's recognition of such a trend, it is our opinion that this authority may be delegated by the Director.

a. In this connection, it may be of some interest to mention that the Comptroller General, and only the Comptroller General, signs the papers when such awards are given to GAO employees. A specially-appointed committee meets monthly to consider such awards, but only the Comptroller General authorizes payment.

3. Award of appropriate certificates, medals, or other emblems, in honorary recognition of service which is exceptional or meritorious. Section 5 of Executive Order 9817, which was issued pursuant to Public Law 600, authorizes this action for service "determined by the head of the department" to be exceptional or meritorious. There is no express provision for delegation of this authority, but it is our opinion that the Director may do so.

4. Cash awards for efficiency. Technically speaking, not even the Director of Central Intelligence has specific legal authority to make such a cash award. Title X of Public Law 429 (81st Congress) directs most agencies of the Government to take steps to grant cash awards. However, CIA is exempt from this law, thereby removing any specific justification for the Director to authorize cash awards for efficiency. Consequently, it appears that any such awards should be based on Section 10 (a)(2) of Public Law 110, which authorizes the Agency to expend funds for personnel services, "otherwise authorized by law and regulations, when approved by the Director." Since cash awards for efficiency

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are "otherwise authorized by law or regulations," it is our opinion that CIA has the authority to grant such awards. The words, "by the Director," require action by him to institute a program of cash awards for efficiency. However, once the program has been established, it is our opinion that he may delegate the authority to approve such awards in each case.

5. Salary increases for efficiency. Technically speaking, not even the Director has specific authority to grant such a salary increase, for the same reason expressed in the preceding paragraph. Consequently, any such action must be based on the Director's general authority regarding personnel. Since the Director may appoint, and delegate the power to appoint personnel, we know of no legal objection to the granting of salary increases for efficiency. Likewise, we know of no legal objection to delegation of this power.

6. Salary increases for superior accomplishment. Again speaking technically, not even the Director has specific authority to grant a salary increase for superior accomplishment. Title VII of Public Law 429 (81st Congress) authorizes such action, but, as mentioned above, this law does not apply to CIA. Consequently, any salary increases for superior accomplishment must be based on the Director's general authority regarding personnel. It is our opinion that he may grant such increases, and also delegate this power.

a. In this connection, your attention is invited to a letter to the head of the U.S. Civil Service Commission from Admiral Hillenkoetter, dated 24 March 1948. Discussing the granting of within-grade pay increases for superior accomplishment, Admiral Hillenkoetter pointed out that "the Director will personally take final action on all /such/recommendations for pay increases." This letter does not, of course, constitute a binding commitment at this time, but its contents may have some bearing on the Agency's future course of action.

7. No reference has been made herein to awards of the Medal of Freedom and the Medal of Merit, because of the Director's desire to handle such recommendations personally.

LAWRENCE R. HOUSTON
General Counsel

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cc/ [redacted] 25X1A

Legal Division
Vital Records
SUBJECT ✓ 314C = also copy in 350 Rewards; Decorations
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OPINION EXPRESSED IN PARA. 2 IS BASED ON 26 Comp. Gen. 442.

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